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(Original Signature of Member)

108TH CONGRESS
2D SESSION

H. R. _____

To amend the Workforce Investment Act of 1998 to establish a Personal Reemployment Accounts pilot grant program to assist Americans in returning to work.

IN THE HOUSE OF REPRESENTATIVES

Mr. PORTER (for himself, Mr. BOEHNER, and Mr. MCKEON) introduced the following bill; which was referred to the Committee on

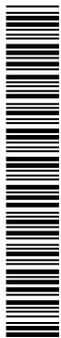
A BILL

To amend the Workforce Investment Act of 1998 to establish a Personal Reemployment Accounts pilot grant program to assist Americans in returning to work.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Worker Reemployment
5 Accounts Act of 2004”.



1 **SEC. 2. GRANTS TO SUPPORT PERSONAL REEMPLOYMENT**
2 **ACCOUNTS.**

3 Section 171 of the Workforce Investment Act of 1998
4 is amended by adding at the end the following:

5 “(e) **PERSONAL REEMPLOYMENT ACCOUNTS.**—

6 “(1) **DEFINITION.**—In this subsection, the term
7 ‘State’ means each of the several States of the
8 United States, the District of Columbia, the Com-
9 monwealth of Puerto Rico, and the United States
10 Virgin Islands.

11 “(2) **DEMONSTRATION PROJECT.**—In addition
12 to the demonstration projects under subsection (b),
13 the Secretary may establish and implement a na-
14 tional demonstration project designed to analyze and
15 provide data on workforce training programs that
16 accelerate the reemployment of unemployed individ-
17 uals, promote the retention in employment of such
18 individuals, and provide such individuals with en-
19 hanced flexibility, choice, and control in obtaining
20 intensive reemployment, training, and supportive
21 services.

22 “(3) **GRANTS.**—

23 “(A) **IN GENERAL.**—In carrying out the
24 demonstration project, the Secretary shall make
25 grants, on a competitive basis, to eligible enti-
26 ties to provide personal reemployment accounts



1 to eligible individuals. In awarding grants under
2 this subsection the Secretary shall take into
3 consideration awarding grants to eligible enti-
4 ties from diverse geographic areas, including
5 rural areas.

6 “(B) DURATION.—The Secretary shall
7 make the grants for periods of not less than 2
8 years and may renew the grant for each of the
9 succeeding 3 years.

10 “(4) ELIGIBLE ENTITY.—In this subsection, the
11 term ‘eligible entity’ means—

12 “(A) a State; or

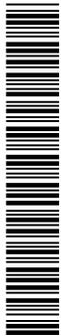
13 “(B) a local board or consortium of local
14 boards.

15 “(5) USE OF FUNDS.—

16 “(A) IN GENERAL.—An eligible entity that
17 receives a grant under this subsection shall use
18 the grant funds to provide, through a local area
19 or areas, eligible individuals with personal re-
20 employment accounts. An eligible individual
21 may receive only 1 personal reemployment ac-
22 count.

23 “(B) GEOGRAPHIC AREA AND AMOUNT.—

24 “(i) IN GENERAL.—The eligible entity
25 shall establish the amount of a personal re-



1 employment account for each eligible indi-
2 vidual participating, which shall be uni-
3 form throughout the area represented by
4 the eligible entity, and shall not exceed
5 \$3,000.

6 “(ii) OPTION FOR STATES.—If the eli-
7 gible entity is a State, the eligible entity
8 may choose to use the grant statewide, if
9 practicable, or only in specified local areas
10 within a State.

11 “(C) ELIGIBLE INDIVIDUALS.—

12 “(i) IN GENERAL.—Each eligible enti-
13 ty shall establish eligibility criteria for indi-
14 viduals for personal reemployment ac-
15 counts in accordance with this subpara-
16 graph.

17 “(ii) ELIGIBILITY CRITERIA REQUIRE-
18 MENTS.—

19 “(I) IN GENERAL.—Subject to
20 subclause (II), an individual shall be
21 eligible to receive a personal reemploy-
22 ment account under a grant awarded
23 under this subsection if, beginning
24 after the date of enactment of this
25 subsection, the individual—



1 “(aa) is identified by the
2 State pursuant to section
3 303(j)(1) of the Social Security
4 Act (42 U.S.C. 503(j)(1)) as like-
5 ly to exhaust regular unemploy-
6 ment compensation and in need
7 of job search assistance to make
8 a successful transition to new
9 employment, or the individual’s
10 unemployment can be attributed
11 in substantial part to unfair com-
12 petition from Federal Prison In-
13 dustries, Incorporated;

14 “(bb) is receiving regular
15 unemployment compensation
16 under any Federal or State un-
17 employment compensation pro-
18 gram administered by the State;
19 and

20 “(cc) is eligible for not less
21 than 20 weeks of regular unem-
22 ployment compensation described
23 in item (bb).

24 “(II) ADDITIONAL ELIGIBILITY
25 AND PRIORITY CRITERIA.—An eligible



1 entity may establish criteria that are
2 in addition to the criteria described in
3 subclause (I) for the eligibility of indi-
4 viduals to receive a personal reemploy-
5 ment account under this subsection.
6 An eligible entity may also establish
7 criteria for priority in the provision of
8 a personal reemployment account to
9 such eligible individuals under a grant
10 awarded under this subsection.

11 “(iii) TRANSITION RULE.—

12 “(I) PREVIOUSLY IDENTIFIED AS
13 LIKELY TO EXHAUST UNEMPLOYMENT
14 COMPENSATION.—

15 “(aa) IN GENERAL.—At the
16 option of the eligible entity, and
17 subject to item (bb), an indi-
18 vidual may be eligible to receive a
19 personal reemployment account
20 under this subsection if the
21 individual—

22 “(AA) during the 13-
23 week period ending the week
24 prior to the date of the en-
25 actment of the subsection,



1 was identified by the State
2 pursuant to section
3 303(j)(1) of the Social Secu-
4 rity Act (42 U.S.C.
5 503(j)(1)) as likely to ex-
6 haust regular unemployment
7 compensation and in need of
8 job search assistance to
9 make a successful transition
10 to new employment; and

11 “(BB) otherwise meets
12 the requirements of clause
13 (ii)(I)(bb) and (cc).

14 “(bb) ADDITIONAL ELIGI-
15 BILITY AND PRIORITY CRI-
16 TERIA.—An eligible entity may
17 establish criteria that is in addi-
18 tion to the criteria described in
19 item (aa) for the eligibility of in-
20 dividuals to receive a personal re-
21 employment account under this
22 subsection. An eligible entity may
23 also establish criteria for priority
24 in the provision of such accounts



1 to such eligible individuals under
2 this subsection.

3 “(II) PREVIOUSLY EXHAUSTED
4 UNEMPLOYMENT COMPENSATION.—At
5 the option of the eligible entity, an in-
6 dividual may be eligible to receive a
7 personal reemployment account under
8 a grant awarded under this subsection
9 if the individual—

10 “(aa) during the 26-week
11 period ending the week prior to
12 the date of the enactment of this
13 subsection, exhausted all rights
14 to any unemployment compensa-
15 tion; and

16 “(bb)(AA) is enrolled in
17 training and needs additional
18 support to complete such train-
19 ing, with a priority of service to
20 be provided to such individuals
21 who are training for shortage oc-
22 cupations or high-growth indus-
23 tries; or

24 “(BB) is separated from
25 employment in an industry or oc-



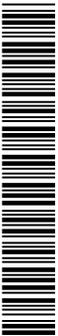
1 occupation that has experienced de-
2 clining employment, or no longer
3 provides any employment, in the
4 local labor market during the 2-
5 year period ending on the date of
6 the determination of eligibility of
7 the individual under this sub-
8 paragraph.

9 “(iv) NO INDIVIDUAL ENTITLE-
10 MENT.—Nothing in this subsection shall be
11 construed to entitle any individual to re-
12 ceive a personal reemployment account.

13 “(D) LIMITATIONS.—

14 “(i) INFORMATION AND ATTESTA-
15 TION.—Prior to the establishment of a per-
16 sonal reemployment account for an eligible
17 individual, the eligible entity receiving a
18 grant, through the one-stop delivery sys-
19 tem in the participating local area or
20 areas, shall ensure that the individual—

21 “(I) is informed of the require-
22 ments applicable to the personal reem-
23 ployment account, including the allow-
24 able uses of funds from the account,
25 the limitations on access to services

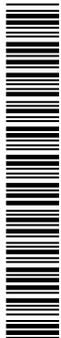


1 described in paragraph (7)(A)(iii) and
2 a description of such services, and the
3 conditions for receiving a reemploy-
4 ment bonus;

5 “(II) has the option to develop a
6 personal reemployment plan which will
7 identify the employment goals and ap-
8 propriate combination of services se-
9 lected by the individual to achieve the
10 employment goals; and

11 “(III) signs an attestation that
12 the individual has been given the op-
13 tion to develop a personal reemploy-
14 ment plan in accordance with sub-
15 clause (II), will comply with the re-
16 quirements under this subsection re-
17 lating to the personal reemployment
18 accounts, and will reimburse the ac-
19 count or, if the account has been ter-
20 minated, the grant awarded under
21 this subsection, for any amounts ex-
22 pended from the account that are not
23 allowable.

24 “(ii) PERIODIC INTERVIEWS.—If a re-
25 cipient exhausts his or her rights to any



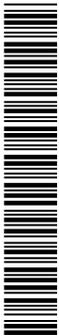
1 unemployment compensation, and the re-
2 cipient has a remaining balance in his or
3 her personal reemployment account, the
4 one-stop delivery system shall conduct peri-
5 odic interviews with the recipient to assist
6 the recipient in meeting his or her indi-
7 vidual employment goals.

8 “(iii) USE OF PERSONAL REEMPLOY-
9 MENT ACCOUNTS.—The eligible entity re-
10 ceiving a grant shall ensure that eligible
11 individuals receiving a personal reemploy-
12 ment account use the account in accord-
13 ance with paragraph (7).

14 “(6) APPLICATION FOR GRANTS.—To be eligible
15 to receive a grant under this subsection, an eligible
16 entity shall submit an application to the Secretary at
17 such time, in such manner, and containing such in-
18 formation as the Secretary may require, including—

19 “(A) if the eligible entity is a State—

20 “(i) assurance that the application
21 was developed in conjunction with the local
22 board or boards and chief elected officials
23 where the personal reemployment accounts
24 shall be made available; and



1 “(ii) a description of the methods and
2 procedures for providing funds to local
3 areas where the personal reemployment ac-
4 counts shall be made available; and

5 “(B) a description of the criteria and
6 methods to be used for determining eligibility
7 for the personal reemployment account, includ-
8 ing whether the eligible entity intends to include
9 the optional categories described in paragraph
10 (5)(C)(iii), and the additional criteria and pri-
11 ority for service that the eligible entity intends
12 to apply, if any, pursuant to paragraph
13 (5)(C)(ii)(II);

14 “(C) a description of the methods or proce-
15 dures to be used to provide eligible individuals
16 information relating to services and providers;

17 “(D) a description of safeguards to ensure
18 that funds from the personal reemployment ac-
19 counts are used for purposes authorized under
20 this subsection and to ensure the quality and
21 integrity of services and providers, consistent
22 with the purpose of providing eligible individ-
23 uals with enhanced flexibility, choice, and con-
24 trol in obtaining intensive reemployment, train-
25 ing, and supportive services;



1 “(E) a description of how the eligible enti-
2 ty will coordinate the activities carried out
3 under this subsection with the employment and
4 training activities carried out under section 134
5 and other activities carried out by local boards
6 through the one-stop delivery system in the
7 State or local area; and

8 “(F) an assurance that the eligible entity
9 will comply with any evaluation and reporting
10 requirements the Secretary may require.

11 “(7) USE OF PERSONAL REEMPLOYMENT AC-
12 COUNTS.—

13 “(A) ALLOWABLE ACTIVITIES.—

14 “(i) IN GENERAL.—Subject to the re-
15 quirements contained in clauses (ii) and
16 (iii), a recipient of a personal reemploy-
17 ment account may use amounts in a per-
18 sonal reemployment account to purchase 1
19 or more of the following:

20 “(I) Intensive services, including
21 those type of services specified in sec-
22 tion 134(d)(3)(C).

23 “(II) Training services, including
24 those types of services specified in sec-
25 tion 134(d)(4)(D).



1 “(III) Supportive services, except
2 for needs related payments.

3 “(ii) DELIVERY OF SERVICES.—The
4 following requirements relating to delivery
5 of services shall apply to the grants under
6 this subsection:

7 “(I) Recipients may use funds
8 from the personal reemployment ac-
9 count to purchase the services de-
10 scribed in clause (i) through the one-
11 stop delivery system on a fee-for-serv-
12 ice basis, or through other providers,
13 consistent with the safeguards de-
14 scribed in paragraph (6)(D).

15 “(II) The eligible entity, through
16 the one-stop delivery system in the
17 participating local area, may pay costs
18 for such services directly on behalf of
19 the recipient, through a voucher sys-
20 tem, or by reimbursement to the re-
21 cipient upon receipt of appropriate
22 cost documentation.

23 “(III) Each eligible entity,
24 through the one-stop delivery system
25 in the participating local area, shall



1 make available to recipients informa-
2 tion on training providers specified in
3 section 134(d)(4)(F)(ii), information
4 available to the one-stop delivery sys-
5 tem on providers of the intensive and
6 supportive services described in clause
7 (i), and information relating to occu-
8 pations in demand in the local area.

9 “(iii) LIMITATIONS.—The following
10 limitations shall apply with respect to per-
11 sonal reemployment accounts under this
12 subsection:

13 “(I) Amounts in a personal reem-
14 ployment account may be used for up
15 to 1 year from the date of the estab-
16 lishment of the account.

17 “(II) Each recipient shall submit
18 cost documentation as required by the
19 one-stop delivery system.

20 “(III) For the 1-year period fol-
21 lowing the establishment of the ac-
22 count, recipients may not receive in-
23 tensive, supportive, or training serv-
24 ices funded under this title except on



1 a fee-for-services basis as specified in
2 clause (ii)(I).

3 “(IV) Amounts in a personal re-
4 employment account shall be non-
5 transferable.

6 “(B) REEMPLOYMENT BONUS.—

7 “(i) IN GENERAL.—Subject to clause
8 (ii)—

9 “(I) if a recipient determined eli-
10 gible under paragraph (5)(C)(ii) ob-
11 tains full-time employment before the
12 13th week of unemployment for which
13 unemployment compensation is paid,
14 the balance of his or her personal re-
15 employment account shall be provided
16 directly to the recipient in cash; and

17 “(II) if a recipient determine eli-
18 gible under paragraph (5)(C)(iii) ob-
19 tains full-time employment before the
20 end of the 13th week after the date
21 on which the account is established,
22 the balance of his or her personal re-
23 employment account shall be provided
24 directly to the recipient in cash.



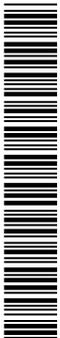
1 “(ii) LIMITATIONS.—The following
2 limitations shall apply with respect to a re-
3 cipient described in clause (i):

4 “(I) 60 percent of the remaining
5 personal reemployment account bal-
6 ance shall be paid to the recipient at
7 the time of employment.

8 “(II) 40 percent of the remaining
9 personal reemployment account shall
10 be paid to the recipient after 26 weeks
11 of employment retention.

12 “(iii) EXCEPTION REGARDING SUBSE-
13 QUENT EMPLOYMENT.—If a recipient de-
14 scribed in clause (i) subsequently becomes
15 unemployed due to a lack of work after re-
16 ceiving the portion of the reemployment
17 bonus specified under clause (ii)(I), the in-
18 dividual may use the amount remaining in
19 the personal reemployment account for the
20 purposes described in subparagraph (A)
21 but may not be eligible for additional cash
22 payments under this subparagraph.

23 “(8) PROGRAM INFORMATION AND EVALUA-
24 TION.—



1 “(A) INFORMATION.—The Secretary may
2 require from eligible entities the collection and
3 reporting on such financial, performance, and
4 other program-related information as the Sec-
5 retary determines is appropriate to carry out
6 this subsection, including the evaluation de-
7 scribed in subparagraph (B).

8 “(B) EVALUATION.—

9 “(i) IN GENERAL.—The Secretary,
10 pursuant to the authority provided under
11 section 172, shall, directly or through
12 grants, contracts, or cooperative agreement
13 with appropriate entities, conduct an eval-
14 uation of the activities carried out under
15 any grants awarded under this subsection.

16 “(ii) REPORT.—The report to Con-
17 gress under section 172(e) relating to the
18 results of the evaluations required under
19 section 172 shall include the recommenda-
20 tion of the Secretary with respect to the
21 use of personal reemployment account as a
22 mechanism to assist individuals in obtain-
23 ing and retaining employment.”.

